



**September 27, 2011 Public Hearing Testimony before the
Connecticut General Assembly
Appropriations, Human Services, and Energy & Technology Committees**

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
BLOCK GRANT ALLOCATION PLAN FFY 2012**

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members of the Appropriations, Human Services, and Energy & Technology Committees:

Thank you for holding this hearing on the proposed Low Income Home Energy Assistance Program (LIHEAP) Block Grant Allocation Plan for FFY 2012. My name is James H. Gatling, Ph.D. I am the President/CEO of New Opportunities, Inc. and the Board Chairman of the Connecticut Association for Community Action (CAFCA). As you know, CAFCA is the state association for Connecticut's twelve (12) Community Action Agencies—our state's federally-designated anti-poverty agencies, which serve every one of Connecticut's 169 towns and cities.

We want to thank you and Governor Malloy and the Coalition of Northeastern Governors for strongly advocating for level federal funding and we are hoping for success. We fully understand the current challenge and our network pledges to work with the Governor and the legislature to serve our customers to the very best of our ability however the program is finally configured. We know these tough times require tough decisions, but a fiscal crisis cannot justify balancing budgets on the backs of the hardest hit families in Connecticut. And we are afraid that the plan before you would have serious unintended consequences, possibly including the loss of life. None of us wants that.

The intent of the plan is to provide aid to only those households truly in need. **We agree with the intent, but the plan does not fairly address the need that really exists throughout Connecticut and we must testify on behalf of all of our energy assistance customers – those who heat with utilities and those with fuel deliverables.** With lives and jobs on the line, it's important to understand that there is poverty *throughout* our state – rural, urban, and *suburban*. You might be startled to see the many faces of energy assistance as the Great Recession and long-term unemployment have led more formerly middle-class families to require this aid.

CAFCA and our member Community Action Agencies are committed to helping the State make wise investments that can benefit these families and our state as a whole. In this spirit, **we recommend the following changes to help address this emergency situation.**

- Maintain FFY 2011 benefit levels (including utility and renter households).
- Maintain the FFY 2011 funding level for administration.
- Maintain a “fuel-blind” basic benefit program, serving families in need regardless of their fuel type.
- Maintain level funding for the case management activities under Assurance 16; eligibility has not decreased, so we will work with just as many or more of your constituents.

With these enhancements to the plan, you will:

- Preserve more than \$60 million in benefits from non-governmental sources (i.e. the utility companies, which make utility payments more affordable).
- Avoid widespread utility shut-offs in the spring, once families are saddled with impossible utility payment debts
- Protect a proven delivery infrastructure, which includes local businesses.

Our statewide network of Community Action Agencies (CAAs) can attest to the great need in our communities where many people who have never asked for assistance before are living from one uncertain, unemployment benefit check to the next – never knowing if Congress is going to grant an extension on these benefits. Many of our customers do not even have these checks to count on. Many of our elderly on fixed incomes are seeing their retirement benefits dwindle from quarter to quarter. Data reported in the “Home Energy Affordability Gap: 2010” study reveal that Connecticut’s poorest households spend more than 70% of their annual income on their home energy bills.¹

So the reality is that the energy assistance is not just important, but essential to keeping struggling families safe and housed. The more energy assistance funding is cut and its capacity diminished, the more the State limits families’ spending on other essential items such as food, health care, and housing and drives families to use dangerous shortcuts in an attempt to live within their very limited means. There are also other potential unintended consequences such as DCF being contacted to remove children from a home if the home does not have heat and/or utilities.

At these hearings in the past, we have lauded Connecticut’s Federal legislators for ensuring appropriate funding levels for the LIHEAP Block Grant. We remain grateful to those leaders, who have protected the fundamental human rights of low-income households and ask them to continue being leaders in the fight to preserve LIHEAP funding since the proposed cuts at the federal level would be disastrous for our state’s residents. But, I ask you today to begin planning for the worst case scenario if federal funds are reduced.

We will continue to seek funding at the federal level. However, we call on the legislature and the administration to make certain that home energy assistance keeps the older adult and persons with disabilities independent and out of nursing homes; that home energy assistance keeps low income families in their homes and not homeless; and that home energy assistance provides for the health and safety of Connecticut’s children.

Please adjust the current plan by preparing to use State funds, if it becomes necessary, to maintain level funding. Attached to this testimony, you will find ideas and information from other states that are supplementing the federal program through state funding, rate assistance or bulk fuel discounts.

This emergency is a reality, and we need your action. Thank you.

¹ Operation Fuel. “Home Energy Affordability Gap: 2010, Connecticut Legislative Districts,” January 2011.

Chart 1: Recession CEAP/CHAP *Total* Caseload Comparison

	<u>2010/2011</u> <u>(8/9/11)</u>	<u>2007/2008</u> <u>(Final)</u>	<u># Change</u>	<u>% Change</u>
ABCD (Bridgeport)	13,661	10,872	2,789	26%
BCO (Bristol)	4,239	2,818	1,421	50%
CACD (Danbury)	5,331	3,324	2,007	60%
CRT (Hartford/Middletown)	33,720	26,410	7,310	28%
TEAM (Derby)	5,002	3,603	1,399	39%
HRAofNB (New Britain)	5,426	4,231	1,195	28%
CAAofNH (New Haven)	15,073	12,332	2,741	22%
NEON (Norwalk)	2,938	1,888	1,050	56%
TVCCA (Norwich)	10,118	6,734	3,384	50%
CTE (Stamford)	3,190	2,010	1,180	59%
NO (Waterbury/Meriden)	26,628	18,898	7,730	41%
ACCESS (Willimantic)	9,386	6,493	2,893	45%
Statewide Totals:	134,712	99,613	35,099	35%

Data from DSS

Chart 2: Recession CEAP/CHAP *Eligible* Caseload Comparison

	<u>2010/2011</u> <u>(8/9/11)</u>	<u>2007/2008</u> <u>(Final)</u>	<u># Change</u>	<u>% Change</u>
ABCD (Bridgeport)	12,000	8,817	3,183	36%
BCO (Bristol)	3,449	2,317	1,132	49%
CACD (Danbury)	4,667	3,053	1,614	53%
CRT (Hartford/Middletown)	29,504	22,893	6,611	29%
TEAM (Derby)	4,103	3,010	1,093	36%
HRAofNB (New Britain)	4,309	3,187	1,122	35%
CAAofNH (New Haven)	12,917	10,332	2,585	25%
NEON (Norwalk)	2,598	1,661	937	56%
TVCCA (Norwich)	8,806	6,046	2,760	46%
CTE (Stamford)	2,686	1,600	1,086	68%
NO (Waterbury/Meriden)	24,352	17,356	6,996	40%
ACCESS (Willimantic)	8,476	5,855	2,621	45%
Statewide Totals:	117,867	86,127	31,740	37%

Data from DSS

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2009 State-by-State Supplements to Energy Assistance and Energy Efficiency

Compiled by the LIHEAP Clearinghouse

[Click here](#) for an explanation to the state-by-state supplements table

Shaded states' supplements are public benefits/universal service funds

State	State Local	Ratepayer Funds		Fuel Funds Church Comm	Bulk Fuel Discount	Misc.	Total
		Rate Assistance	Energy Efficiency				
AL		\$3,537,832		\$1,288,693			\$4,826,525
AK	\$38,561,158						\$38,561,158
AZ	\$4,915,632	\$19,778,919	\$5,172,410	\$1,980,649			\$31,847,610
AR			\$644,874	\$1,736,612			\$2,381,486
CA	\$496,524	\$940,000,000	\$178,000,000	\$4,687,351		\$3,770,134	\$1,126,954,009
CO	\$9,043,166	X	\$2,300,000	\$8,929,238			\$20,272,404
CT	\$2,280,386	\$14,935,677	\$7,903,707	\$5,926,522	\$5,210,955		\$36,257,247
DE	\$1,532,000	\$1,306,656		\$631,070	\$223,200		\$3,692,926
DC		\$6,300,000	\$6,500,000				\$12,800,000
FL				\$1,085,800			\$1,085,800
GA		\$18,564,447	\$2,000,000	\$997,721			\$21,562,168
ID			\$1,826,695	\$223,417		\$19,870	\$2,069,982
IL	\$1,000,000	\$60,405,932	\$9,066,177	\$577,304			\$71,049,413
IN	\$13,000,221	\$13,852,992		\$4,424,241		\$25,094	\$31,302,548
IA	\$297,500		\$5,000,000	\$971,126			\$6,268,626
KY	\$1,245,057	\$2,901,388	\$319,306	\$815,143			\$5,280,894
ME		\$9,200,000	\$2,542,165				\$11,742,165
MD	\$27,800,000	\$34,000,000	\$1,824,900	\$5,923,266	\$778,501	\$1,975,347	\$73,202,014
MA	\$9,964,000	\$68,432,648	\$20,965,000	\$2,035,057	\$8,336,062		\$109,732,767
MI		\$55,000,000	\$14,000,000	\$20,486,189			\$89,486,189
MN	\$2,077,469	\$11,485,049	\$3,962,058	\$3,983,837	\$19,171	\$155,409	\$21,682,993
MS		\$513,345		\$1,928,136		\$824,388	\$3,265,869
MO		\$3,600,000	\$1,500,000	\$2,600,000			\$7,700,000
MT	\$3,082,488	\$4,577,268	\$2,705,362	\$1,424,056	\$1,051	\$176,980	\$11,967,205
NE				\$452,000			\$452,000
NV	\$313,066	\$12,241,692	\$3,590,000	\$727,779			\$16,872,537
NH	\$3,358,079	\$15,288,366	\$2,521,459	\$818,959	\$651,907		\$22,638,770
NJ	\$16,600,000	\$237,350,721	\$20,121,577	\$432,802			\$284,383,523
NM	\$306,459			\$393,608			\$700,067

NY	<u>\$98,774,889</u>	<u>\$82,600,000</u>	<u>\$20,500,000</u>	<u>\$1,129,918</u>		<u>\$13,173,997</u>	\$216,178,804
NC		<u>\$145,009</u>		<u>\$3,885,758</u>			\$4,030,767
OH		<u>\$153,747,400</u>	<u>\$7,000,761</u>	<u>\$1,917,000</u>			\$162,665,161
OK		<u>\$6,835,019</u>					\$6,835,019
OR		<u>\$15,154,107</u>	<u>\$9,961,685</u>	<u>\$4,649,435</u>		<u>\$843,639</u>	\$30,608,866
PA	<u>\$238,000</u>	<u>\$450,000,000</u>	<u>\$37,000,000</u>	<u>\$8,035,365</u>			\$495,273,365
RI		<u>\$9,263,540</u>	<u>\$3,610,000</u>	<u>\$600,000</u>			\$13,473,540
SC				<u>\$1,306,589</u>			\$1,306,589
SD	<u>\$258,350</u>			<u>\$335,050</u>		<u>\$147,160</u>	\$738,560
TN				<u>\$1,000,000</u>			\$1,000,000
TX		<u>\$85,000,000</u>	<u>\$1,082,873</u>	<u>\$6,845,000</u>			\$92,927,873
UT		<u>\$2,000,000</u>					\$2,000,000
VT	<u>\$7,209,402</u>		<u>\$1,347,269</u>	<u>\$737,920</u>	<u>\$840,472</u>	<u>\$10,050</u>	\$10,155,113
VA	<u>\$154,500</u>			<u>\$5,021,368</u>			\$5,175,868
WA	<u>\$2,835,379</u>	<u>\$12,112,032</u>	<u>\$5,421,940</u>	<u>\$7,661,541</u>		<u>\$1,408,004</u>	\$29,438,896
WV	<u>\$3,000,000</u>			<u>\$437,000</u>			\$3,437,000
WI	<u>\$10,985,503</u>	<u>\$40,111,280</u>	<u>\$50,756,828</u>	<u>\$2,212,475</u>		<u>\$2,154,826</u>	\$101,220,912
WY				<u>\$80,000</u>			\$80,000
Totals	<u>\$260,237,228</u>	<u>\$2,390,241,319</u>	<u>\$434,025,469</u>	<u>\$121,334,195</u>	<u>\$16,081,189</u>	<u>\$24,665,028</u>	<u>\$3,246,584,428</u>

2007 State Supplements Table

2006 State Supplements Table

2005 State Supplements Table

2004 State Supplements Table

2003 State Supplements Table

2002 - 2003 State Supplements Table

2001 - 2002 State Supplements Table

SEARCH

Connecticut State Funds

The Fuel Oil Conservation Board, a legislatively mandated organization, received state funds to repair or replace heating systems in low-income households that use fuel oil.

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LEVERAGING

2009: \$2.3 million

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- On December 12, as part of his Economic Assistance and Recovery Plan for New Jersey, Governor Jon Corzine signed a bill providing \$10 million for New Jersey Shares, a statewide fuel fund.

- New Jersey is one of ten states participating in the Regional Greenhouse Gas Initiative (RGGI), a coalition working to limit carbon dioxide pollution through a cap and trade system. Twenty percent of the state's proceeds from carbon emissions auctions is allocated to the Board of Public Utilities (BPU) for programs to reduce electric demand or electric costs for customers of low and moderate income. In 2009, the BPU awarded \$6.6 million from RGGI funds to New Jersey Shares.

Note: Leveraging reports do not always give a complete statewide picture. Some resources are not reported through leveraging or are under reported.

LEVERAGING

2007: \$2 million

2006: \$2 million

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